

BILL ANALYSIS

H.B. 2542
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Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Concerns have been raised regarding certain information relating to insurance agents that are placed in conservatorship or under supervision by the commissioner of insurance. Interested parties note that this information could be a signal to other insurers that engaging in business with the agent is a risk. H.B. 2542 seeks to address this issue by requiring the commissioner to provide written notice to an applicable insurer if the commissioner places an insurance agent in conservatorship or under supervision.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2542 amends the Insurance Code to require the commissioner of insurance, if the commissioner places a licensed title insurance agent or a licensed insurance agent under supervision or in conservatorship, to provide written notice of the order of supervision or conservatorship to each insurer for which the agent holds an appointment under statutory provisions relating to the licensing of a title insurance agent or to the appointment of an insurance agent, or other applicable law, on the date the supervisor or conservator is appointed.

EFFECTIVE DATE

September 1, 2017.